

**STATEMENT OF  
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ECONOMIC COMMISSION  
THE AMERICAN LEGION  
TO THE  
SUBCOMMITTEE ON ECONOMIC OPPORTUNITY  
COMMITTEE ON VETERANS' AFFAIRS  
UNITED STATES HOUSE OF REPRESENTATIVES  
ON  
VA'S VOCATIONAL REHABILITATION AND EMPLOYMENT SERVICE  
AND  
THE DEPARTMENT OF LABOR'S VETERANS' EMPLOYMENT AND  
TRAINING SERVICE**

**MARCH 9, 2006**

Mr. Chairman and distinguished members of the Subcommittee, thank you for the opportunity to submit the views of The American Legion regarding the Department of Veterans Affairs' Vocational Rehabilitation and Education (VR&E) program and the Department of Labor's Veterans' Employment and Training Service (VETS).

**VOCATIONAL REHABILITATION AND EMPLOYMENT SERVICE**

The mission of the VR&E program is to help qualified, service-disabled veterans achieve independence in daily living and, to the maximum extent feasible, obtain and maintain suitable employment. The American Legion fully supports these goals.

As a nation at war, there continues to be an increasing need for VR&E services to assist Operations Iraqi Freedom and Enduring Freedom veterans in retraining to independent living, achieving the highest possible quality of life, and securing meaningful employment. To meet America's obligation to these specific veterans and other eligible VR&E veterans, VA leadership must focus on marked improvements in case management, vocational counseling, and most importantly job placement.

The successful rehabilitation of our severely disabled veterans is determined by the coordinated efforts of every Federal agency (DoD, VA, DoL, OPM, HUD etc.) involved in the seamless transition from the battlefield to the civilian workplace. Timely access to quality health care services, favorable physical rehabilitation, vocational training, and job placement play a critical role in the seamless transition of each and every veteran, as well as his or her family.

Administration of VR&E and its programs is a responsibility of the Veterans Benefits Administration (VBA). Historically, VBA has placed emphasis on the processing of veterans' claims and the reduction of the claims backlog, which is extremely important.

However, providing effective employment programs through VR&E must become a priority as well.

Until recently, VR&E's primary focus has been providing veterans with skills training, rather than obtaining meaningful employment. Clearly, any employability plan that doesn't achieve the ultimate objective a job is an injustice to those veterans seeking assistance in transitioning into the civilian workforce.

Vocational counseling plays a vital role in identifying barriers to employment that must be overcome, as well as matching veterans' skills with those career opportunities available to qualified candidates. Becoming fully qualified becomes the next logical objective towards successful transition.

Veterans' preference should play a large role in vocational counseling as well. The Federal government has scores of employment opportunities that educated, well-trained, and motivated veterans can fill given a fair and equitable chance to compete. Working together, all Federal agencies should identify those vocational fields, especially those with high turnover rates, suitable for VR&E applicants. Career fields like information technology, claims adjudications, and debt collection offer employment opportunities and challenges for career-oriented applicants that also create career opportunities outside the Federal government.

Historically, VA has been lacking in its efforts to find employment for disabled veterans. The Vocational Rehabilitation program has historically been marketed to veterans as an education program and not an employment program. A majority of veterans attended universities and colleges with few enrolled in training programs, such as apprenticeships and on-the-job training that can lead to direct job placement.

However, in FY 04 the VR&E service program instituted a number of recommended changes to re-focus the program into becoming more employment oriented. A five-track employment pilot project was initiated in October 2004 and completed on September 30, 2005. This pilot project titled the "5-Track Employment Model" includes a "Job Resource Lab" comprised of:

- An Employment Resource Center for:
  - Veterans
  - Employment Coordinators
  - Vocational Rehabilitation Counselors and Counseling Psychologist
- Resource for Labor Market Information
- Resource for Job Readiness Assistance
- Internet-Based Employment Resource
- An on-line employment services system to support

- Veterans
- VR&E staff
- Working Partners

- Virtual one-stop employment network

*Material taken from a 2006 VR&E report explaining Vocational Rehabilitation and Employment Five-Tracks to Employment Pilot Project Results.*

The VR&E's Job Resource Labs are expected to be in all VA regional offices by the end of 2006. The American Legion supports the creation of these important offices.

Another problem hindering the effectiveness of the VR&E program as previously cited in reports by the Government Accountability Office (GAO) is exceptionally high workloads for the limited number of staff. This hinders the staff's ability to effectively assist individual veterans with identifying employment opportunities.

In April 2005, the average caseload of a typical VR&E counselor approached 160 veterans. The American Legion applauds the proposed increase of an additional 128 Direct and Support FTE's. While The American Legion is pleased that an additional number of FTE will be hired, we still urge Congress to provide further funding for VR&E counselors in FY 2007 for an expected increase of veterans that will need assistance.

## **MEMORANDUM OF UNDERSTANDING**

The 2004 VA Vocational Rehabilitation and Employment Task Force reported that the VR&E program had not made any significant improvements since the 1996 GAO report on the lack of effective job assistance being provided to disabled veterans. In recent years, many states have not referred veterans from the VR&E program to VETS for assistance in obtaining employment. Veterans with high-tech skills and advanced education were referred to expensive commercial placement agencies that do not specialize in employment assistance for veterans and difficult to place veterans were sent to VETS.

Therefore, to correct these deficiencies, a memorandum of agreement between VA and DOL was developed and signed in October 2005 stating that each agency had the mutual responsibility and concern to assist disabled veterans in their readjustment into the civilian workforce. This memorandum provided that "in order to advance, improve, and expand the employment opportunities for veterans with disabilities, both parties of this MOU commit themselves to active cooperation and coordination in meeting the goals set forth in this agreement".

In discussions with numerous VETS representatives across the country, The American Legion is hearing a variety of opinions on the current implementation process and progress of the recently signed MOU. VR&E representatives from Michigan have

reported “more referrals then we can handle” due to the shortages of DVOPs and LVERs and the worsening employment situation in the state.

VETS representatives in Tennessee stated that they are already doing what is required in the MOU and that they have a strong relationship with the local VR&E office. In the state of Maryland, the director of VETS reports that in the city of Baltimore they already enjoy a good working relationship with the VR&E office. Now with the signing of the MOU that relationship will expand to the rest of the state, and will include the District of Columbia and Virginia as well. The State of Maryland VETS Office will begin joint training programs with the VR&E counselors on March 24<sup>th</sup>.

The story is quite different in the state of Texas. The VETS program and the VR&E program in Texas are completely separate. The Texas VETS representative explained that they do not see referrals from the local VR&E Office and they in turn do not communicate. Finally, the VETS State Director in Alabama reports some cooperation between the two agencies is taking place but it is difficult to encourage the two organizations to work together on the local level. Concerns such as education levels of VA’s case managers and DOL DVOPs and LVERs (case managers from the VA generally have BA or MA degrees while the DVOPs and LVERs require only a high school education), job philosophies, and performance standards are cited as problems that affect the delivery of employment and rehab services to veterans.

While poor coordination between VR&E counselors and their VETS counterparts has contributed to the shortfalls of the VR&E program, a number of states have begun to improve communications. The outlook is not completely negative. A majority of VETS representatives have commended their VR&E counterparts for their willingness to ensure the successful implementation of the joint MOU that is designed to improve rehabilitation, training and employment outcomes for disabled veterans.

## **REHABILITATION AND EMPLOYMENT OUTCOMES**

### **Numbers of Rehabilitated/Employed Veterans**

Year	Veterans successfully rehabilitated	YEAR	Veterans successfully employed with suitable jobs
FY 03	9,549	FY 03	7,525
FY 04	11,129	FY 04	8,392
FY 05	12,013	FY 05	9,279

The above demonstrates the improved outcomes for the VR&E program.

The average salary for the 9,300 veterans rehabilitated in suitable employment was \$39,160.

The American Legion has recommended exploring possible training programs geared specifically for VR&E Counselors through the National Veterans Training Institute (NVTI). Contracting for standardized or specialized training for VR&E employees could very well strengthen and improve overall program performance. NVTI serves as a valuable resource for VETS employment specialists and has contributed to a marked improvement in VETS performance. We are pleased to note that VETS and VR&E representatives report that VR&E counselors began training at the NVTI site in January 2006.

## **MANAGEMENT AND PERFORMANCE STANDARDS**

The American Legion applauds the efforts of VR&E to create and publish national performance standards for both the VR&E Officer position and the Vocational Rehabilitation Counselor/Counseling Psychologist positions. The progress that management is making will go a long way in ensuring an adequate system for evaluating the effectiveness of the VR&E Service in place.

It seems that the VR&E program has remained in a perpetual state of transition for the past 25 years, according to countless GAO and VA reports. The 2004 Task Force report stated that the VR&E system must be redesigned for the 21<sup>st</sup> Century employment environment. The American Legion continues to support strong leadership and continued verification of the recommendations made in the 2004 task force report.

Adequate funding is needed to assist the management staff of VR&E to continue its implementation of the recommendations. The American Legion applauds the President's request for \$149 million to fund the discretionary portion of the Vocational Rehabilitation and Employment program in 2007. Additional FTE requirements along with an increased workload of veterans expected to use the program services requires this additional funding.

The American Legion strongly supports both of these important programs and is committed to working with both agencies to ensure that America's veterans are provided with the highest level of employment assistance. Again, thank you for the opportunity to submit the opinion of The American Legion on this issue.